STEPTOE & JOHNSON LLP

ATTORNEYS AT LAW

1330 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036-1795

(202) 429-3000
FACSIMILE: (202) 429-3902
TELEX: 89-2503

PHOENIX, ARIZONA
TWO RENAISSANCE SQUARE

TELEPHONE: (602) 257-5200
FACSIMILE: (602) 257-5299

STEPTOE & JOHNSON INTERNATIONAL
AFFILIATE IN MOSCOW, RUSSIA

TELEPHONE: (011-7-501) 258-5250
FACSIMILE: (011-7-501) 258-5251

JAMES M. TALENS
(202) 429-8177

April 21, 1997

VIA HAND DELIVERY

Mr. William Caton
Acting Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

Re: In the Matter of Amendment of the Commission's Rules Regarding Multiple Address Systems - WT Docket No. 97-81

Dear Mr. Caton:

Southern California Edison Company, by its attorneys, hereby submits for filing an original and four copies of their Comments in connection with the above-captioned matter.

Also enclosed is an additional copy of Edison's Comments which we ask you to date stamp and return with our messenger.

If you have any questions, please do not hesitate to contact me.

Respectfully submitted,

James M. Talens
Counsel for Southern California Edison Company

Enclosures

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	
Amendment of the Commission's Rules Regarding Multiple Address Systems	**WT Docket No. 97-81**

COMMENTS OF SOUTHERN CALIFORNIA EDISON

I. INTRODUCTION AND SUMMARY

Southern California Edison Company ("Edison") hereby submits its comments in response to the Commission's Notice of Proposed Rule Making ("NPRM") in the above-captioned proceeding. The Commission proposes, inter alia, to streamline its licensing procedures and to maximize use of spectrum allocated to Multiple Address Systems ("MAS").[1/]

Edison, the second largest investor-owned electric utility company in the United States, has a significant stake in this proceeding. Edison provides electric power to some 9 million people in 4.1 million residences and commercial facilities in an area of over 50,000 square miles in southern California. To administer the efficient distribution of its electric power, Edison owns and operates a complex telecommunications network that includes fiber optic facilities and an array of microwave and land mobile radio systems licensed by the FCC. An integral component

1/ See Amendment of the Commission's Rules Regarding Multiple Address Systems, FCC 97-58 (Feb. 27, 1997)("MAS NPRM").

of Edison's radio network is its MAS system, which permits it to conduct automatic meter reading ("AMR") operations using mobile master transmitters on channels in the 952 and 956 MHz bands.[2/] AMR helps improve Edison's overall efficiency, reducing costs and keeping power prices down.

Edison's comments in this NPRM address two important issues: (1) the Commission's proposal that the 928/952/956 MHz bands be designated exclusively for private use; and (2) whether the 928/952/956 MHz bands should continue to be licensed on a site-by-site basis or on a geographic basis, such as economic areas ("EAs"). Edison firmly believes that the public interest supports use of the 928/952/956 MHz bands exclusively for private use and that licensing should proceed on a site-by-site basis.

II. THE COMMISSION SHOULD DESIGNATE THE 928/952/956 MHZ BANDS EXCLUSIVELY FOR PRIVATE USE

Edison supports the Commission's tentative conclusion to designate the 928/952/956 MHz bands exclusively for private use.[3/] As the Commission correctly stated in the NPRM, the "majority of channels in this group are used by private systems to satisfy internal communication needs."[4/] For its part, Edison uses its MAS licenses specifically to serve its critical internal communications need to track and report power consumption among its electric power customers. Without the availability of this vital internal communications service, Edison would not be able to ensure efficient and cost-effective distribution of electricity to its customers.

[2/] Edison currently holds 34 MAS licenses.

[3/] MAS NPRM at ¶ 13 ("Because currently the principal use of the band does not appear to involve subscriber-based services, we tentatively conclude that the 928/952/952 MHz bands should be designated exclusively for private, internal use.").

[4/] Id. at ¶ 12.

There are currently only a limited number of channels available in the 928/952/956 MHz bands for internal communications needs, and it is anticipated that there will be an even greater need for them in the future. The electric utilities rely on these channels for MAS-based power administration. Therefore, any significant future use of these bands for subscriber-based services would create a serious potential for disruption of service and increased costs for both utility companies and their customers.

Clearly, as electric utilities like Edison increase their use of remote energy management technologies (including AMR), their need for spectrum to support private internal communications networks also will increase. This need may be further enhanced in the future by the deregulation of the power industry and changes in power flow and consumption. In short, Edison expects to increasingly rely on use of its spectrum in the 928/952/956 MHz bands for key communications uses and strongly encourages the Commission to treat these bands as reserved for private internal communications purposes. Any designation of these bands to subscriber-based use, which creates immediate demand for channels in densely populated areas -- precisely where Edison and other utilities have their greatest need for MAS spectrum -- would undermine the usefulness of the band for internal communications purposes and generally put at risk the benefits to the public and to the power industry that have developed since MAS and AMR were made available.

III. THE COMMISSION SHOULD CONTINUE TO AWARD LICENSES IN THE 928/952/956 MHZ BANDS ON A SITE-BY-SITE BASIS

The Commission should continue to grant licenses in the 928/952/956 MHz bands on a site-by-site basis rather than convert to a geographic licensing approach based on regions, e.g., economic areas ("EAs").[5/] Site-by-site licensing

[5/] Id. at ¶ 15 ("Alternatively, if we conclude that the principal use of the 928/952/956 MHz bands is likely to remain private, should the [sic] we continue to

(continued ...)

represents the most efficient means of utilizing the 928/952/958 MHz bands for private internal communications purposes. Geographic licensing is better applied to subscriber-based services. The essential economic reality of any subscriber-based system is that it must create cash flow as quickly as possible to service debt and, hopefully, provide investors with profit. In a competitive environment, the marketing of subscriber-based services is achieved most efficiently with a relatively sizable geographic assignment that includes the maximum number of potential subscribers. Indeed, the Commission has recognized these economic advantages to subscriber-based systems in its licensing of Cellular Radiotelephone Service, Interactive Video and Data Service, the 800 MHz Specialized Mobile Radio Service, and in the Personal Communications Services proceedings.[6/]

Geographic licensing is inappropriate for services that are used primarily for private internal communications purposes. An MAS licensee using channels for AMR, for example, is simply not motivated by the potential for revenue from communications services provided to residents within the circumscribed service area, no matter what the population density or possible capital appreciation of the license itself. The MAS licensee's primary concern is the provision of internal communications to support a principal underlying business (e.g., electric power distribution) and not to sell communications service. The need for private, MAS-implemented AMR service is based on the location of electric power consumers, whether they are distributed sparsely or densely.

As an example, Edison requires licenses in the 928/952/956 MHz bands only for internal telecommunications service in areas where it is currently providing

[5/] (... continued)

award MAS licenses in these bands on a site-by-site basis or use a geographic licensing approach?").

[6/] See MAS NPRM at ¶16.

power to consumers. A geographic-based license that includes regions beyond those service areas would not comport with the public interest because it would not be an efficient use of spectrum. Instead, site-by-site licenses, which serve targeted areas populated by Edison's electric power customers, represent the most efficient means of utilizing the 928/956/958 MHz bands, for both Edison and the public interest.[7/]

The Commission has suggested that EAs constitute the most appropriate geographic area licensing boundaries for MAS operations.[8/] As discussed above, geographic assignments simply do not "fit" private internal communications services. For other services, the Commission has justified using EAs because it has regarded them as necessary to allow licensees to compete effectively "with [other] licensees in various other communications services authorized over similarly sized areas."[9/] But this rationale is plainly not applicable to the 928/952/956 MHz bands as they are currently

---

7/ The Commission has previously justified geographic licensing on the theory that geographic "Commission-defined areas are simpler to administer, [and] will provide licensees and **the public with greater certainty** about what area is covered by each authorization, and will make it easier to resolve conflicts between applicants seeking to provide service to a common area." Implementation of Sections 3(n) and 332 of the Communications Act, 9 FCC Rcd 7988, 8044 (1994)(emphasis added). With licenses that are used primarily for private purposes, there is no concern that the public have "greater certainty" as to what area is covered by a particular authorization.

8/ See MAS NPRM at ¶ 17.

9/ Amendment of Part 90 of the Commission's Rules to Provide for the use of the 220-222 MHz Band by the Private Land Mobile Radio Service; Implementation of Sections 3(n) and 332 of the Communications Act; Regulatory Treatment of Mobile Services; Implementation of Section 309(j) of the Communications Act -- Competitive Bidding, 220-222 MHz, 11 FCC Rcd 188, 220 (1995). See also Amendment of Part 90 of the Commission's Rules to Facilitate Future Development of SMR Systems in the 800 MHz Frequency Band; Implementation of Sections 3(n) and 332 of the Communications Act Regulatory Treatment of Mobile Services; Implementation of Section 309(j) of the Communications Act -- Competitive Bidding, 11 FCC Rcd 1463, 1484 ("We also conclude that licensing based on EAs is preferable to using smaller service areas.").

used, namely, for internal purposes. MAS used for private internal communications is not a competitive service.

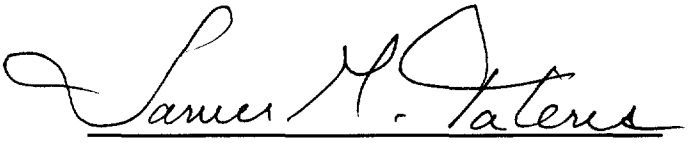
IV. CONCLUSION

In sum, Edison supports the Commission's proposal to designate the 928/952/956 MHz bands exclusively for private use, and requests that the 928/952/956 MHz bands continue to be licensed on a site-by-site basis.

Dated: April 21, 1997

Respectfully submitted,

Southern California Edison Company



Alfred M. Mamlet
James M. Talens
Marc A. Paul
Steptoe & Johnson LLP
1330 Connecticut Avenue, N.W.
Washington, DC 20036
(202) 429-3000

Counsel for Southern California Edison

CERTIFICATE OF SERVICE

I, Patricia A. Posey, do hereby certify that a copy of the foregoing **Comments Of Southern California Edison Company** has been sent, via hand delivery, on this 21st day of April, 1997 to the following:

Chairman Reed E. Hundt
Federal Communications Commission
Room 814
1919 M Street, N.W.
Washington, DC 20554

Commissioner James H. Quello
Federal Communications Commission
Room 802
1919 M Street, N.W.
Washington, DC 20554

Commissioner Rachelle B. Chong
Federal Communications Commission
Room 844
1919 M Street, N.W.
Washington, DC 20554

Commissioner Susan B. Ness
Federal Communications Commission
Room 832
1919 M Street, N.W.
Washington, DC 20554

Robert James
Private Wireless Division
Wireless Telecommunications Bureau
1919 M Street, N.W.
Washington, DC 20554

International Transcription Service
Suite 140
1919 M Street, N.W.
Washington, DC 20036

Patricia A. Posey